THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) No, Sir.

(b) Does not arise.

(c) and (d) With a view to attract private investment including foreign investment for exploration and exploitation of Hydrocarbon reserves in the 26 sedimentary basins of the country covering onland and offshore areas, the Government has been inviting bids from private companies on regular basis since 1991. To give further impetus to the exploration efforts, the Government has formulated the New Exploration Licensing Policy (NELP) which provides equal opportunity to foreign companies and Indian companies, both Public Sector Undertakings (PSUs) and private to bid for exploration acreages, including those in deepwater, offered by the Government from time to time.

The exploration activities including identification and offer of blocks through NELP is a continuous and ongoing process. From 1991 upto the third round of NELP in 2003, Government has signed Production Sharing Contracts (PSCs) for 97 exploration blocks for Exploration and Production of oil & gas.

Subsidy on LNG

2123. MISS MABEL REBELLO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the total amount of subsidy given by Government for LNG;

(b) the details of subsidies for the last three years;

(c) the details of ownership of LNG Terminals;

(d) the details of LNG Terminals, location-wise and capacity-wise; and

(e) the details of proposed LNG expansion for the next five years, year-wise, promoter-wise and location-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (e) Import of Liquefied Natural Gas (LNG) has been placed under Open General License (OGL) with 100% Foreign Direct Investment (FDI). Country's first 5 million

metric tonne per annum (MMTPA) capacity LNG terminal is being set up by M/s. Petronet LNG Ltd. (PLL) at Dahej, Gujarat. The mechanical completion of the project is schedule for December 2003 and commercial supplies may start from the 2nd quarter of 2004. The price of LNG will be market determined. Therefore, the question of any subsidy by Government on LNG does not arise. M/s. Hazira LNG Private Limited, a company promoted by Royal Dutch Shell Group of Companies, Netherlands, is also setting up a LNG terminal of 2.7 MMTPA at Hazira, Gujarat. At Dabhol in Maharashtra, for the Dabhol Power Project Phase-II, LNG terminal was under construction, which has remained incomplete due to the legal issues between the lenders and Dabhol Power Corporation. In addition to the above, there are various other initiatives, but there is no significant progress on these.

Effective use of natural gas

2124. SHRI SURESH PACHOURI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the production of natural gas in the country today;

(b) in what manner Government are making effective use of natural gas for industrial purpose; and

(c) the details of the strategy adopted during the Tenth Five Year Plan to exploit natural gas for use in industries?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) The Natural Gas production in the country during the current financial year, 2002-2003 from April, 2002 to January, 2003, was about 26 billion cubic metres.

(b) and (c) Natural Gas is allocated to consumers by the Government on the recommendations of Inter-Ministerial Committee namely Gas Linkage Committee (GLC). While allocating natural gas, factors such as the demand and supply for the concerned area, the economic value and early monetization are considered. Major consumers of gas are power and fertilizer sectors, which utilize about 80% of the total allocation made. These sectors are expected to retain this predominant share during the Xth Five-year Plan period.